VZCZCXRO2535 OO RUEHCN RUEHGH DE RUEHIN #2084/01 2531017 ZNY CCCCC ZZH O 101017Z SEP 07 FM AIT TAIPEI TO RUEHC/SECSTATE WASHDC IMMEDIATE 6741 INFO RUEHBJ/AMEMBASSY BEIJING 7240 RUEHUL/AMEMBASSY SEOUL 8888 RUEHKO/AMEMBASSY TOKYO 9059 RUEHCN/AMCONSUL CHENGDU 2081 RUEHGZ/AMCONSUL GUANGZHOU 0528 RUEHHK/AMCONSUL HONG KONG 8497 RUEHGH/AMCONSUL SHANGHAI 1342 RUEHSH/AMCONSUL SHENYANG 6050 RUEAIIA/CIA WASHDC RHEFDIA/DIA WASHINGTON DC RHHJJAA/JICPAC HONOLULU HI RUEKJCS/SECDEF WASHINGTON DC RHHMUNA/USPACOM HONOLULU HI

C O N F I D E N T I A L SECTION 01 OF 02 TAIPEI 002084

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TAGS: PGOV TW

SUBJECT: TSU CHAIRMAN HUANG ON PAN-GREEN COOPERATION, UN

REFERENDUM

Classified By: AIT Acting Director Robert S. Wang, Reason 1.4 (b/d)

11. (C) Summary: TSU Chairman Huang Kun-huei told the Acting Director on September 7 that he currently has no plans to run in the 2008 presidential race despite recent public urging from grassroots supporters. Huang said the talks between the TSU and DPP to coordinate a strategy for the 2008 legislative election have stalled because the two sides failed to reach a consensus on fielding only one pan-Green candidate per district. The DPP has shown a "lack of sincerity," hoping that the new single-member districts starting in 2008 will further marginalize the TSU. Huang characterized the DPP and KMT UN referendums as "unnecessary" since most people on Taiwan already believe the island is an independent and sovereign country. He expects Beijing to remain low key on the UN referendum issue because it does not want to risk an overly strong reaction that could "backfire." End Summary.

Running For President?

12. (C) Taiwan Solidarity Union (TSU) Chairman Huang Kun-huei discussed domestic politics and the TSU perspective on Taiwan's UN referendum with the Acting Director on September 7. Huang told the ADIR that he currently has no plans to run in the 2008 presidential race despite recent public urging from TSU grassroots supporters. Huang explained that TSU members believe their party needs a presidential candidate in the race to give TSU legislative candidates higher visibility going into the January 2008 legislative election. Huang commented that, having worked in the Presidential Office under former President Lee Teng-hui, he has seen politics from the inside and has no desire to run for public office.

Low Hopes for Pan-Green Cooperation in Legislative Races

13. (C) Huang told the ADIR that talks have stalled between the TSU and the Democratic Progressive Party (DPP) on coordinating candidates for the January 2008 legislative elections. Huang said he is not optimistic that the two sides will be able to reach a consensus on fielding only one pan-Green candidate per district. Currently, there are ten

districts where both TSU and DPP candidates are slated to run. Huang criticized DPP Chairman Yu Shyi-kun and Secretary-General Lin Chia-lung for showing "no sincerity"

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toward the TSU during the past several months of negotiations.

(C) Huang noted that the TSU had invited Chairman Yu to talk on several occasions since the beginning of the year, but Yu only agreed to meet on June 26. The DPP added insult to injury by then passing a list of candidates the following day (June 27) that endorsed candidates to run in the ten districts where the TSU had already made nominations. Since the June meeting, the secretary-generals have met six times to try to iron out differences but, failing to reach an agreement, the two sides have now suspended formal negotiations. Huang said that while the DPP prefers to hold public opinion polls in each district to determine the final Green candidate, the TSU prefers to negotiate the slate of candidates, using polls in only some districts. The two sides, however, could not even proceed beyond a discussion of how to deal with the district closest to home in which both parties had nominated candidates -- Taipei City District 5 and candidates (DPP) Tuan Yi-kang and (TSU) Huang Shih-chuo. Nevertheless, Huang said he still has some hope that the two parties may reach a last-minute compromise on some districts before the end of September. After the DPP approves its formal list of candidates during the party congress on September 30, however, compromise will become much more difficult to reach. If that happens, Huang explained, the TSU will publicly blame the DPP for splitting the pan-Green

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 $\underline{\mbox{\bf 1}} {\bf 5}$. (C) Huang told ADIR that the DPP is reluctant to accommodate the TSU because DPP leaders believe pan-Green

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voters will "drop the TSU to protect the DPP" (qibao) if there are two pan-Green candidates in a district. Huang accused the two main political parties, DPP and KMT, of reengineering the new single-member district system in 2005 with the aim of further marginalizing their smaller coalition partners. Failing in negotiations with the DPP, the TSU will be counting on winning as much of the second party vote as possible to pick up a few proportional seats. (Note: Under the new LY election format each voter will vote once on a candidate and once on a political party, with a minimum of 5 percent of the party vote required for party proportional seats. End Note.) To do so, the TSU will draft a strong party nomination list and field at least one person in each major city or county to try to take the Green vote from the DPP. Huang said the TSU has been forced by the DPP into this extreme strategy in order to "survive" as a party.

UN Referendum an Election "Gimmick"...

16. (C) Huang characterized the DPP and KMT proposals to hold a UN referendum as "unnecessary" since most people on Taiwan already consider the island to be an independent, sovereign country. Raising the issue during an election season, he charged, is only intended to divide society along political lines for electoral gain, rather than unify the people on an issue that normally would be highly popular. As a result, Huang predicted that both referendums were unlikely to win enough votes to pass. Huang said that according to internal TSU polls over 50 percent of voters believed the UN referendums were political gimmicks by both parties. Only 25 percent of respondents said they thought the referendum was a sincere bid to enhance Taiwan's international stature. Huang urged the U.S. to more strongly support Taiwan's participation in the international community since Taiwan is a "democratic model" in East Asia.

...To Which Beijing Unlikely to Overreact

17. (C) Huang told the ADIR that Beijing will probably remain low key on the UN referendum issue. This issue is not a "big enough" deal to risk an overly strong reaction that could "backfire." Holding a presidential election, Huang argued, should be more of a threat to Beijing than entry into the UN and Taiwan has been doing this since 1996. Given Beijing's desire to maintain a good international image ahead of the Olympics, he continued, should give China further incentive not to overreact to the UN issue. Huang said he was nevertheless concerned that the transfer of power from the Hu Jintao era of leaders to the next generation in 2012 could prove a much more sensitive and dangerous time for Taiwan than at the present moment. Huang lamented the current lack of informal senior level dialogue between China and Taiwan, which in the past was common under President Lee.

Comment

18. (C) With the halving of the legislature and the introduction of a two-ballot, single-member district system in 2008, the TSU's survival as a political party will be at stake this coming January. Efforts between the TSU and DPP to reach an accommodation on the fielding of candidates have not proved fruitful, with several AIT contacts from both the TSU and from DPP presidential candidate Frank Hsieh's camp

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blaming DPP Chairman Yu for a failure of leadership on the issue. They fear that a lingering split within the pan-Green camp could cost seats for candidates from both Green parties in otherwise "safe" Green districts and, in turn, erode TSU support for Hsieh in the presidential race. Given this concern, it is still possible that a last minute agreement is reached by the end of the month.

WANG